



HOUSE
BUDGET
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Budget Digest

Ranking Member Steve Womack

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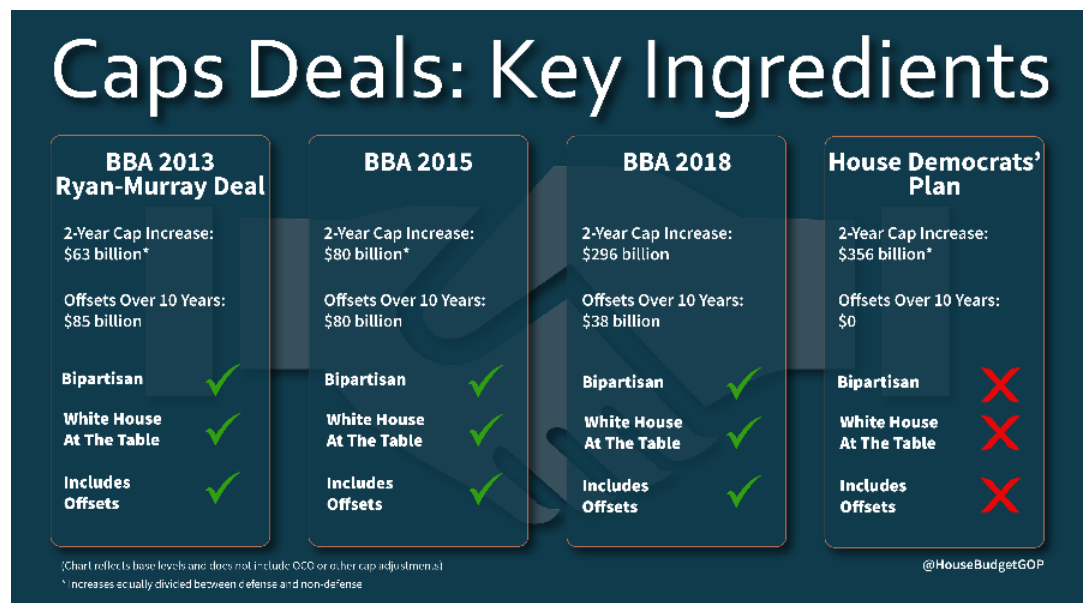
HOUSE DEMOCRATS' CAPS BILL

This week, the House is expected to consider H.R. 2021, legislation to raise discretionary spending caps for fiscal years (FY) 2020 and 2021. This legislation is House Democrats' proposed alternative to drafting a budget, the primary responsibility of the House and Senate Budget Committees.

History of Discretionary Spending Caps. These caps were established under the Budget Control Act of 2011 (BCA) to slow the growth in discretionary spending from FY 2012 through FY 2021. Since enactment of the BCA, there have been three caps deals – most recently the Bipartisan Budget Act of 2018, which provided cap relief for FY 2018 and FY 2019. Absent another agreement to raise the caps for FY 2020, the statutory spending caps for FY 2020 will be enforced. These levels are \$71 billion lower for defense and \$55 billion lower for non-defense relative to the spending levels enacted in FY 2019.

Bad Policy. Gradually and responsibly extending the caps would continue to restrain federal spending. Unfortunately, H.R. 2021 is not the answer. The bill makes our nation's grim financial situation even worse. The bill would increase the discretionary spending caps by \$356 billion over two years, with no plan to pay for it. With annual deficits nearing \$1 trillion and our national debt surpassing \$22 trillion, this bill is fiscally irresponsible. The bill also fails to adequately fund our military, unwinding the progress Republicans in Congress and the Trump Administration have made to protect our national security. In fact, compared to the enacted spending levels for 2019, House Democrats are proposing \$33 billion more for non-defense discretionary spending than for defense discretionary spending for FY 2020 and FY 2021.

Missing Ingredients. H.R. 2021 lacks the three key ingredients needed for a successful caps deal: bipartisan input, White House involvement, and spending offsets. The last three caps agreements have included all of these elements. With a Republican-led Senate and White House, H.R. 2021 has no chance of becoming law – wasting an opportunity to responsibly fund the



programs and priorities most important to the American people. For more information about H.R. 2021 and House Budget Republicans efforts to address the problems with the bill, click [HERE](#) and [HERE](#).